

GOVERNANCE

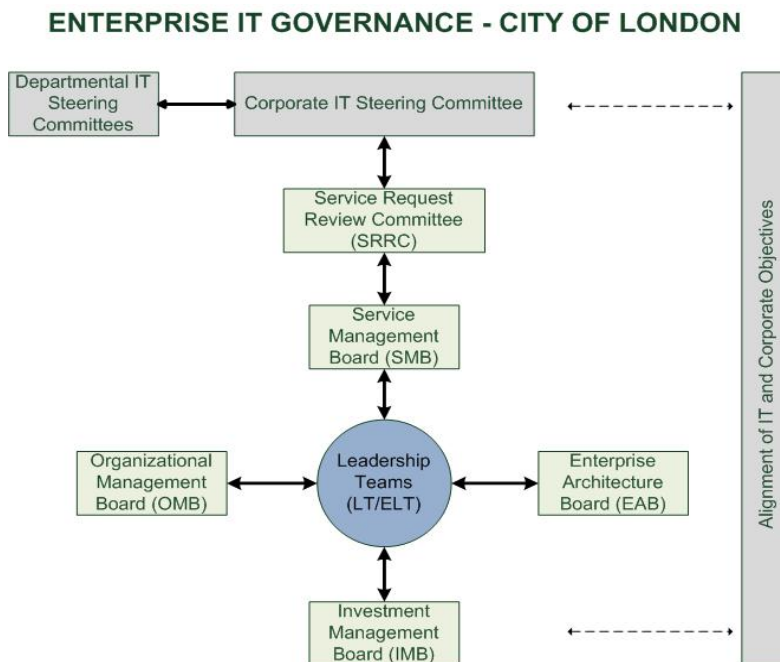
Objectives of Enterprise IT (Information Technology) Governance

There are some key reasons why governance is both necessary and effective:

- To align Technology Services Division (TSD) objectives with business objectives
- To illustrate TSD's value to the Corporation
- To place accountability and decision making in the correct place
- To improve service to clients
- To manage risk
- To manage the complexity of IT

Enterprise IT Governance

The diagram below illustrates the Enterprise IT Model in its simplest form. It identifies the role of the Management Boards within TSD, the governance roles in the business, and the alignment of IT with corporate objectives.



The Role of the Management Boards

Each Management Board has a specific purpose:

- The Investment Management Board is responsible for ensuring that all IT investments meet with corporate standards including the Procurement of Goods and Services policy. It is also responsible for ensuring these investments are appropriate and align with corporate objectives
- The Service Management Board is responsible for reviewing service requests, ensuring such requests are appropriate and align with corporate objectives. They are also responsible for Continuous Service Improvement (CSI)
- The Organizational Management Board is responsible for ensuring that all IT initiatives are resourced appropriately, and for reviewing and approving any organizational matters involving staffing or other human resources
- The Enterprise Architecture Board is responsible for reviewing all technology matters, including new technologies and major upgrades. They are responsible for ensuring alignment of technology with corporate objectives

The Role of the Business

TSD's purpose is to service the Business of the Corporation. As such, the Business should play a role in Enterprise IT Governance. Departmental Steering Committees will be responsible for reviewing, approving and prioritizing IT Service Requests before they are communicated to TSD. The Corporate IT Steering Committee is responsible for making decisions around projects that are competing for resources, both human and financial.

Status of Enterprise IT Governance

TSD has successfully implemented all of the Management Boards and associated committees. Each Board has its own criteria and Terms of Reference to work from.

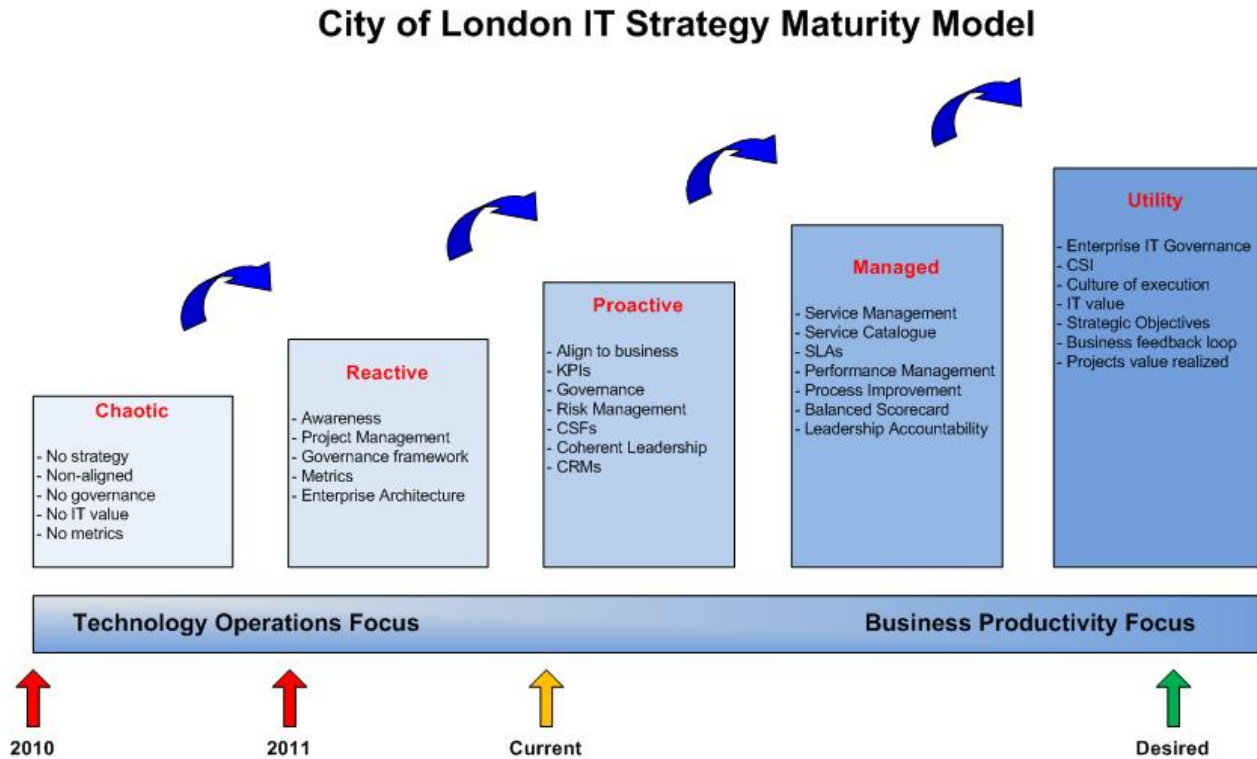
TSD staff have attended information sessions on the governance model so they are completely informed of the process.

One Department has their IT Steering Committee in place and it is working well. We are working on developing the other Departmental groups and the Corporate Steering Committee.

IT MATURITY MODEL

To measure the progress of TSD as we develop into a business enabling, customer focused organization, a maturity model has been created that allows us to determine where we stand at any given time.

The graphic below is a representation of where TSD was 2 years ago, our current status and the desired state.

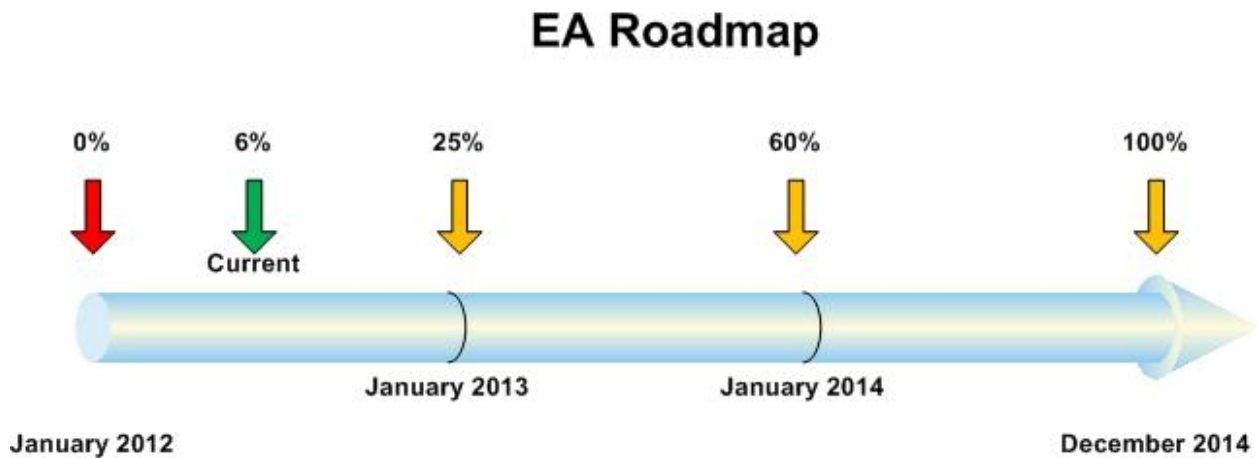


ENTERPRISE ARCHITECTURE ROADMAP

The Enterprise Architecture (EA) Roadmap was created as a plan to develop and implement a series of technology initiatives to allow us to deliver the IT Strategy. It is an ambitious plan with many complexities, with significant work effort required to deliver it over a 3 year period.

While we are still in the very early stages of planning, we are making good progress. The graphic below presents our current and future desired states.

A set of significant initiatives such as those involved in the EA Roadmap requires a great deal of planning and strategy up front, so progress is expected to be less in year one than in future years, as this is where most of the planning and synchronization of initiatives is performed.



METRICS AND REPORTING

Metrics

TSD has been gathering metric information for approximately 15 months. Most of this information is useful for internal TSD purposes, but is not quite so meaningful to senior leadership.

Information is currently gathered on items such as number of projects completed, average response time for Service Desk calls, and major systems uptime.

Going forward, we will be capturing, measuring and reporting on Critical Success Factors (CSFs) and Key Performance Indicators (KPIs).

To ensure meaningful reporting is available, TSD will use multiple reporting formats. You will see for example, that above we have used graphical representations for IT Maturity and for EA Roadmap progress. These provide a visual view of how much is being accomplished.

The key methods of reporting will be the Balanced Scorecard (BSC) and Results Based Accountability.

The Balanced Scorecard

The Balanced Scorecard (BSC) is used by over 50% of Fortune 500 organizations, and by many government and not-for-profits around the world. It is an effective way of reporting not only financial results, but other meaningful aspects of an organization.

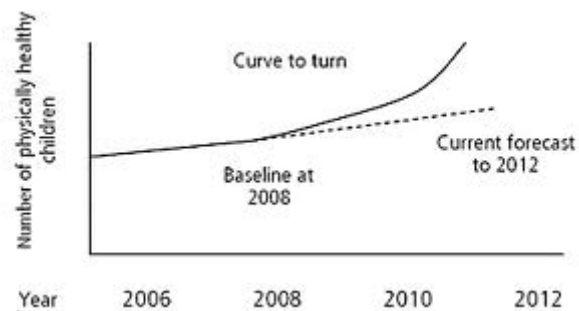
The graphic below outlines the framework for the BSC. This framework is still being developed and may change. It is provided for information purposes only at this time.

Mission ✓ <i>Why We Exist</i> ✓ <i>What We Do To Deliver Value To Our Stakeholders</i>	City of London Strategy Plan	Mission and Vision of City of London as the starting point for IT Strategic Initiatives and their connections to the Master Plan
	Business Strategy	Business Drivers and IT Alignment
Vision ✓ <i>What We Strive To Be For Our Stakeholders</i> ✓ <i>What Our Stakeholders Want Us To Be</i>	IT Operating Plan	IT operational activities based on City of London for each operational outcome using ITIL V3.
	TSD Balanced Scorecard	Strategic Initiatives defined in a Strategy Map with cause and effect connections.
GQ(I)M [6] ✓ <i>Implementation Framework For Turning Strategy Into Execution.</i>	GQ(I)M	Goal, Question, (Indicator), Measure, to capture CSFs, KPIs, and connections to projects through a Strategy Map.
	Technical Measures	Numeric measures for each KPI with baseline value with variance values.

Results Based Accountability

The Corporation has adopted Results Based Accountability (RBA) as a standard reporting methodology. TSD recognizes this and will adapt its measuring and reporting program to align with corporate standards.

RBA uses similar metrics to the Balanced Scorecard: Indicators, Performance Measures, etc. However, it also uses something called 'Turn the Curve'. This means taking a trend that is heading in the wrong direction, finding out the underlying reasons why this is happening, and putting an action plan in place to reverse the trend. An example is provided below.



Summary

“You can’t manage what you can’t measure” is a phrase commonly heard, and one that TSD firmly believes in. It is our intention to capture all appropriate metrics to provide meaningful reporting to senior leadership.